

**Senate File 2230 - Introduced**

SENATE FILE 2230  
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO SSB 3095)

**A BILL FOR**

1 An Act providing for programs and regulations administered  
2 and enforced by the department of agriculture and land  
3 stewardship, providing fees, providing penalties, and making  
4 penalties applicable.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

CHOOSE IOWA PROMOTIONAL PROGRAM

Section 1. Section 159.20, Code 2022, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. The department shall establish and administer a choose Iowa promotional program as provided in part 2 of this subchapter, in order to provide consumers a choice in purchasing food items that originate as an agricultural commodity produced on Iowa farms.

Sec. 2. NEW SECTION. 159.26 Definitions.

As used in this part:

1. "*Food item*" means any of the following:

a. A perishable item derived from an agricultural commodity, or processed from an agricultural commodity, that is fit for human consumption.

b. Honey produced from bees in a managed beehive.

2. "*Iowa farm*" means land in this state used to produce an agricultural commodity.

3. "*Process*" means to prepare a food item in a manner that allows it to be fit for human consumption.

4. "*Program*" means the choose Iowa promotional program established in section 159.29.

Sec. 3. NEW SECTION. 159.28 Administration.

The department shall administer the provisions of this part, including by adopting rules pursuant to chapter 17A as it determines are necessary or desirable.

Sec. 4. NEW SECTION. 159.29 Choose Iowa promotional program.

1. The department shall establish and administer a choose Iowa promotional program to advertise for sale on a retail basis a food item that originates as an agricultural commodity produced on an Iowa farm, and that may include any of the following:

a. An agricultural commodity, except that it may be prepared for sale by washing or packaging in this state.

1     *b.* A product, if it is processed in this state and any of  
2 its ingredients originate as an agricultural commodity produced  
3 on an Iowa farm.

4     2. *a.* The department may adopt rules further defining  
5 an Iowa farm and describing how an agricultural commodity  
6 originates on an Iowa farm.

7     *b.* The department may adopt rules providing for the  
8 acceptable use of ingredients originating from agricultural  
9 commodities not produced on Iowa farms. In adopting the  
10 rules, the department may consider whether the ingredient is  
11 an incidental additive or other component that the department  
12 determines is insignificant.

13     Sec. 5. NEW SECTION. 159.30 Choose Iowa logo.

14     1. As part of the program, the department may establish  
15 a choose Iowa logo to identify a food item originating as an  
16 agricultural commodity produced on an Iowa farm.

17     2. The department may register the choose Iowa logo as a  
18 mark with the secretary of state under chapter 548. If allowed  
19 under federal law, the department may also register the logo as  
20 a trademark with the United States patent and trademark office  
21 or as a copyright with the United States copyright office.

22     3. This section does not require the department to  
23 incorporate the name "choose Iowa" as part of a mark,  
24 trademark, or copyright, if such name is already protected by  
25 state or federal law.

26     4. If the department registers a mark with the secretary  
27 of state, registers a trademark with the United States patent  
28 and trademark office, or registers a copyright with the United  
29 States copyright office under this section, the state of  
30 Iowa shall be named as the owner of the mark, trademark, or  
31 copyright.

32     5. The use of a choose Iowa logo does not do any of the  
33 following:

34     *a.* Provide an express or implied guarantee or warranty  
35 concerning the safety, fitness, merchantability, or use of a

1 food item.

2     *b.* Supersede, revise, or replace a state or federal labeling  
3 requirement, including but not limited to a provision in the  
4 federal Fair Packaging and Labeling Act, 15 U.S.C. §1451 et  
5 seq.

6     *c.* Indicate the grade, specification, standard, or value of  
7 any food item.

8     Sec. 6. NEW SECTION. 159.31 Choose Iowa licensing agreement  
9 — fees.

10     1. A person may apply to the department to participate in  
11 the choose Iowa promotional program according to procedures  
12 established by rules adopted by the department. The department  
13 shall evaluate and approve or disapprove applications based  
14 on criteria established by rules adopted by the department.  
15 The department may disapprove an application if the department  
16 determines the applicant's use of the choose Iowa logo would be  
17 associated with the consumption of an adulterated or illegal  
18 food item.

19     2. The department may enter into a licensing agreement  
20 with a person participating in the program. The participating  
21 person may use the choose Iowa logo to advertise a food item  
22 originating as an agricultural commodity produced on an Iowa  
23 farm, subject to terms and conditions required by rules adopted  
24 by the department. A licensing agreement shall not be for more  
25 than one year.

26     3. The department shall establish application and license  
27 fees by rules adopted by the department.

28     Sec. 7. NEW SECTION. 159.31A Choose Iowa fund.

29     1. A choose Iowa fund is established in the state treasury  
30 under the management and control of the department.

31     2. The fund shall include moneys collected as fees by the  
32 department as provided in section 159.31, moneys appropriated  
33 by the general assembly, and other moneys available to and  
34 obtained or accepted by the department, including moneys from  
35 public or private sources.

1     3. Moneys in the fund are appropriated to the department  
2 and shall be used exclusively to carry out the provisions of  
3 this part as determined and directed by the department, and  
4 shall not require further special authorization by the general  
5 assembly.

6     4. *a.* Notwithstanding section 12C.7, interest or earnings  
7 on moneys in the fund shall be credited to the fund.

8     *b.* Notwithstanding section 8.33, moneys in the fund that  
9 remain unencumbered or unobligated at the end of a fiscal year  
10 shall not revert.

11     Sec. 8. DIRECTIONS TO CODE EDITOR — TRANSFER.

12     1. The Code editor is directed to make the following  
13 transfer:

14     Section 159.27 to section 159.25.

15     2. The Code editor shall correct internal references in the  
16 Code and in any enacted legislation as necessary due to the  
17 enactment of this section.

18     Sec. 9. DIRECTIONS TO CODE EDITOR — PARTS. The Code editor  
19 is directed to divide the provisions in chapter 159, subchapter  
20 II, as amended, enacted, or transferred in this division of  
21 this Act, into parts as follows:

22     1. Part 1, including sections 159.20 through 159.25.

23     2. Part 2, including sections 159.26 through 159.31A.

24                     DIVISION II

25                     REGULATION OF PESTICIDES

26     Sec. 10. Section 206.19, subsection 5, paragraph b, Code  
27 2022, is amended to read as follows:

28     *b.* The amount of the civil penalty ~~that may be assessed~~  
29 ~~for each violation committed by a commercial applicator or~~  
30 ~~private applicator~~ shall not exceed five hundred dollars for  
31 each offense.

32                     DIVISION III

33                     REGULATION OF MOTOR FUELS

34     Sec. 11. Section 214A.1, subsections 2, 5, and 13, Code  
35 2022, are amended to read as follows:

1     2. ~~"A.S.T.M. ASTM international"~~ means the American society  
2 for testing and materials international.

3     5. *"Biodiesel"* means a renewable fuel comprised of  
4 mono-alkyl esters of long-chain fatty acids derived from  
5 vegetable oils or animal fats, which is manufactured by the  
6 use of a transesterification reaction, and which meets the  
7 standards provided in [section 214A.2](#).

8     13. *"E-85 gasoline"* or *"E-85"* means ethanol blended gasoline  
9 formulated with a percentage of between ~~seventy sixty-eight~~  
10 and ~~eighty-five~~ eighty-three percent by volume of ethanol, if  
11 the formulation excludes a denaturant, and which meets the  
12 standards provided in [section 214A.2](#).

13     Sec. 12. NEW SECTION. 214A.1A Administration and  
14 enforcement.

15     This chapter shall be administered and enforced by the  
16 department which may adopt rules under chapter 17A to carry out  
17 the provisions of this chapter.

18     Sec. 13. Section 214A.2, Code 2022, is amended to read as  
19 follows:

20     **214A.2 ~~Tests and standards~~ Standards and classifications.**

21     1. a. The department shall adopt rules pursuant to chapter  
22 17A for carrying out [this chapter](#). The rules may include but  
23 are not limited to specifications establishing departmental  
24 standards relating to motor fuel, including but not limited to  
25 renewable fuel such as ethanol blended gasoline, biobutanol  
26 blended gasoline, biodiesel, biodiesel blended fuel, fuels and  
27 motor fuel components such as an oxygenate.

28     b. In the interest of uniformity, the department shall  
29 adopt by reference ~~other~~ in part or in whole, as some of its  
30 departmental standards described in paragraph "a", applicable  
31 specifications relating to tests and standards for motor fuel,  
32 including renewable fuel and motor fuel components, adopted by  
33 ASTM international and applicable requirements established by  
34 the United States environmental protection agency and ~~A.S.T.M.~~  
35 international.

1     2. Octane number shall conform to the average of values  
2 obtained from the ~~A.S.T.M.~~ ASTM international D2699 research  
3 method and the ~~A.S.T.M.~~ ASTM international D2700 motor method.

4     a. Octane number for regular grade unleaded gasoline shall  
5 follow the specifications of ~~A.S.T.M.~~ ASTM international but  
6 shall not be less than eighty-seven.

7     b. Octane number for premium grade unleaded gasoline shall  
8 follow the specifications of ~~A.S.T.M.~~ ASTM international but  
9 shall not be less than ninety ninety-one.

10    3. a. For motor fuel advertised for sale or sold as  
11 gasoline by a dealer, the motor fuel must meet requirements  
12 for that type of motor fuel and its additives established by  
13 the United States environmental protection agency including as  
14 provided under 42 U.S.C. §7545.

15    b. If the motor fuel is advertised for sale or sold as  
16 ethanol blended gasoline, the motor fuel must ~~comply with~~ meet  
17 departmental standards ~~which shall meet all of the following~~  
18 requirements including as follows:

19       (1) Ethanol must be an agriculturally derived ethyl alcohol  
20 that meets ~~A.S.T.M.~~ departmental standards based in part or in  
21 whole on ASTM international specification D4806 for denatured  
22 fuel ethanol for blending with gasoline for use as automotive  
23 spark-ignition engine fuel, or a successor ~~A.S.T.M.~~ ASTM  
24 international specification, ~~as established by rules adopted~~  
25 by the department rule.

26       (2) Gasoline blended with ethanol must meet ~~requirements~~  
27 ~~established by rules adopted~~ departmental standards based  
28 in part or in whole based on A.S.T.M. ASTM international  
29 specification D4814, or a successor ASTM international  
30 specification, established by rule.

31       (3) (a) For ethanol blended gasoline, at least ~~nine~~ ten  
32 percent by volume must be fuel grade ethanol. ~~In addition, the~~  
33 ~~following applies~~:

34       ~~(a)~~ (b) For the period beginning on September 16 and  
35 ending on May 31 of each year, the state grants a waiver of

1 one pound per square inch from the ~~A.S.T.M.~~ ASTM international  
2 D4814 specification for Reid vapor pressure requirement, or  
3 a successor ASTM international specification, established by  
4 rule.

5 ~~(b) For the period beginning on June 1 and ending on~~  
6 ~~September 15 of each year the United States environmental~~  
7 ~~protection agency must grant a one pound per square inch waiver~~  
8 ~~for ethanol blended conventional gasoline with at least nine~~  
9 ~~but not more than ten percent by volume of ethanol pursuant to~~  
10 ~~40 C.F.R. §80.27.~~

11 (4) For standard ethanol blended gasoline, it must be  
12 ethanol blended gasoline classified as any of the following:

13 (a) From E-9 E-10 up to but not higher than E-15, if the  
14 ethanol blended gasoline meets the departmental standards for  
15 that classification as otherwise provided in this paragraph  
16 "b".

17 (b) Higher than E-15 but not E-85 gasoline, if the  
18 classification is authorized by the department pursuant to  
19 approval for the use of that classification of ethanol blended  
20 gasoline in this state by the United States environmental  
21 protection agency, by granting a waiver or the adoption of  
22 regulations.

23 (5) E-85 gasoline must be an agriculturally derived ethyl  
24 alcohol that meets ~~A.S.T.M.~~ departmental standards based in  
25 part or in whole on ASTM international specification D5798,  
26 described as a fuel blend for use in ground vehicles with  
27 automotive spark-ignition engines, or a successor ~~A.S.T.M.~~ ASTM  
28 international specification, ~~as established by rules adopted~~  
29 ~~by the department~~ rule.

30 c. If the motor fuel is advertised for sale or sold as  
31 biobutanol blended gasoline, the motor fuel must ~~comply~~  
32 with meet departmental standards ~~which shall meet all of the~~  
33 following requirements as follows:

34 (1) Biobutanol must be an agriculturally derived isobutyl  
35 or n-butyl alcohol that meets ~~A.S.T.M.~~ ASTM international



1 specification D7862 for butanol for blending with gasoline for  
 2 use as automotive spark-ignition engine fuel, or a successor  
 3 ~~A.S.T.M.~~ ASTM international specification, ~~as~~ established by  
 4 ~~rules adopted by the department rule.~~

5 (2) Gasoline blended with biobutanol must meet ~~requirements~~  
 6 ~~established by rules adopted~~ departmental standards based  
 7 in part or in whole ~~based on A.S.T.M.~~ ASTM international  
 8 specification D4814, or a successor ASTM international  
 9 specification, established by rule.

10 4. a. For motor fuel advertised for sale or sold as diesel  
 11 fuel by a dealer, the motor fuel must meet requirements for  
 12 that type of motor fuel and its additives established by the  
 13 United States environmental protection agency including as  
 14 provided under 42 U.S.C. §7545.

15 b. If the motor fuel is advertised for sale or sold as  
 16 biodiesel or biodiesel blended fuel, the motor fuel must ~~comply~~  
 17 ~~with meet~~ departmental standards ~~which shall comply with~~ based  
 18 in part or in whole on specifications adopted by A.S.T.M. ASTM  
 19 international for biodiesel or biodiesel blended fuel, to  
 20 every extent applicable, as determined by ~~rules adopted by the~~  
 21 ~~department.~~ the department, subject to the following:

22 (1) Biodiesel must ~~conform to A.S.T.M.~~ meet departmental  
 23 standards based in whole or in part on ASTM international  
 24 specification D6751, or a successor A.S.T.M. ASTM international  
 25 specification, as established by ~~rules adopted by the~~  
 26 ~~department rule.~~ The specification shall apply to biodiesel  
 27 before it leaves its place of manufacture.

28 (2) At least ~~one~~ five percent of biodiesel blended fuel by  
 29 volume must be biodiesel.

30 (3) The biodiesel may be blended with diesel fuel whose  
 31 sulfur, aromatic, lubricity, and cetane levels do not comply  
 32 with ~~A.S.T.M.~~ ASTM international specification D975 grades  
 33 1-D or 2-D, low sulfur 1-D or 2-D, or ultra-low sulfur grades  
 34 1-D or 2-D, provided that the finished biodiesel blended fuel  
 35 meets ~~A.S.T.M. international specification D975 or a successor~~

1 ~~A.S.T.M. international specification as established by rules~~  
2 ~~adopted by the department~~ departmental standards as required in  
3 subparagraph (1).

4 (4) Biodiesel blended fuel classified as B-6 or higher  
5 but not higher than B-20 must ~~conform to A.S.T.M.~~ meet  
6 departmental standards based in whole or in part on ASTM  
7 international specification D7467, or a successor A.S.T.M. ASTM  
8 international specification, ~~as established by rules adopted~~  
9 ~~by the department rule.~~

10 5. Motor fuel shall be classified as follows:

11 a. (1) Ethanol shall be classified as E-100.

12 (2) Ethanol blended gasoline formulated with a percentage  
13 of between sixty-eight and eighty-three percent by volume of  
14 ethanol shall be classified as E-85.

15 (3) Ethanol blended gasoline, other than ethanol blended  
16 gasoline classified as E-85, shall be designated classified as  
17 E-xx where "xx" is the volume percent of ethanol in the ethanol  
18 blended gasoline.

19 b. (1) Biobutanol shall be classified as Bu-100.

20 (2) Biobutanol blended gasoline shall be designated  
21 classified as Bu-xx where "xx" is the volume percent of  
22 biobutanol in the biobutanol blended gasoline.

23 c. (1) Biodiesel shall be classified as B-100.

24 (2) Biodiesel blended fuel shall be designated classified  
25 as B-xx where "xx" is the volume percent of biodiesel.

26 6. Motor fuel shall not contain more than trace amounts of  
27 MTBE, as provided in [section 214A.18](#).

28 Sec. 14. Section 214A.2A, subsection 1, Code 2022, is  
29 amended to read as follows:

30 1. Fuel which is sold or is kept, offered, or exposed for  
31 sale as kerosene shall be labeled as kerosene. The label shall  
32 include the word "kerosene" or the designation "K1 kerosene",  
33 and shall indicate that the kerosene is in compliance with the  
34 standard specification adopted by ~~A.S.T.M.~~ ASTM international  
35 specification D3699 (1982), or a successor ASTM international

1 specification, established by rules adopted by the department.

2 Sec. 15. Section 214A.2B, Code 2022, is amended to read as  
3 follows:

4 **214A.2B Laboratory for motor fuel and biofuels.**

5 A laboratory for motor fuel and biofuels is established at  
6 a community college which is engaged in biofuels testing on  
7 July 1, 2007, and which testing includes but is not limited to  
8 B-20 biodiesel fuel testing for motor trucks and the ability of  
9 biofuels to meet ~~A.S.T.M.~~ ASTM international standards. The  
10 laboratory shall conduct testing of motor fuel sold in this  
11 state and biofuel which is blended in motor fuel in this state  
12 to ensure that the motor fuel or biofuels meet the requirements  
13 in [section 214A.2](#).

14 Sec. 16. Section 214A.3, Code 2022, is amended to read as  
15 follows:

16 **214A.3 Advertising.**

17 ~~1. For all motor fuel, a~~ A person shall not knowingly do any  
18 of the following:

19 ~~a. 1. Advertise the~~ for sale ~~of~~ any motor fuel ~~which~~ that  
20 does not meet the standards provided in [section 214A.2](#).

21 ~~b. 2. Falsely advertise~~ for sale the quality, type, or kind  
22 of any motor fuel or a component of motor fuel.

23 ~~c. 3. Add a coloring matter to the motor fuel which~~  
24 misleads a person who is purchasing the motor fuel about the  
25 quality of the motor fuel.

26 4. Falsely advertise for sale the classification of a motor  
27 fuel as provided in section 214A.2.

28 ~~2. For a renewable fuel, all of the following apply:~~

29 ~~a. A person shall not knowingly falsely advertise that a~~  
30 ~~motor fuel is a renewable fuel or is not a renewable fuel.~~

31 ~~b. (1) Ethanol blended gasoline sold by a dealer shall~~  
32 ~~be designated according to its classification as provided in~~  
33 ~~[section 214A.2](#). However, a person advertising E-9 or E-10~~  
34 ~~gasoline may only designate it as ethanol blended gasoline. A~~  
35 ~~person advertising ethanol blended gasoline formulated with a~~

~~1 percentage of between seventy and eighty-five percent by volume  
2 of ethanol shall designate it as E-85. A person shall not  
3 knowingly falsely advertise ethanol blended gasoline by using  
4 an inaccurate designation in violation of this subparagraph.~~

~~5 (2) A person shall not knowingly falsely advertise  
6 biobutanol blended gasoline by using an inaccurate designation  
7 as provided in [section 214A.2](#).~~

~~8 (3) A person shall not knowingly falsely advertise  
9 biodiesel fuel by using an inaccurate designation as provided  
10 in [section 214A.2](#).~~

11 Sec. 17. Section 214A.5, subsection 2, Code 2022, is amended  
12 to read as follows:

13 2. A wholesale dealer selling ethanol blended gasoline,  
14 biobutanol blended gasoline, or biodiesel blended fuel to  
15 a purchaser shall provide the purchaser with a statement  
16 indicating its ~~designation~~ classification as provided in  
17 section 214A.2. The statement may be on the sales slip  
18 provided in [this section](#) or a similar document, including but  
19 not limited to a bill of lading or invoice.

20 Sec. 18. Section 214A.16, Code 2022, is amended to read as  
21 follows:

22 **214A.16 Notice of renewable fuel — decal.**

~~23 1. a. If ethanol blended gasoline is sold from a motor  
24 fuel pump, the motor fuel pump shall have affixed a decal  
25 identifying the ethanol blended gasoline.~~

~~26 b. If the motor fuel pump dispenses ethanol blended gasoline  
27 classified as E-11 to E-15 for use in gasoline-powered vehicles  
28 not required to be flexible fuel vehicles, the motor fuel pump  
29 shall have affixed a decal as prescribed by the United States  
30 environmental protection agency.~~

~~31 c. 1. a. If the motor fuel pump dispenses ethanol blended  
32 gasoline classified as higher than standard ethanol blended  
33 gasoline pursuant to [section 214A.2](#) is advertised for sale or  
34 sold at a retail motor fuel site, the motor fuel dispenser  
35 dispensing the ethanol blended gasoline shall be affixed with a~~

1 ~~decal shall contain language~~ stating that the classification  
2 of the ethanol blended gasoline is for use in flexible fuel  
3 vehicles.

4 ~~d.~~ b. If biobutanol blended gasoline is advertised for sale  
5 or sold from at a retail motor fuel site, the motor fuel pump,  
6 the motor fuel pump dispenser dispensing the biobutanol blended  
7 gasoline shall have be affixed with a decal identifying the  
8 classification of biobutanol blended gasoline.

9 ~~e.~~ ~~If biodiesel fuel is sold from a motor fuel pump, the~~  
10 ~~motor fuel pump shall have affixed a decal identifying the~~  
11 ~~biodiesel fuel as provided in 16 C.F.R. pt. 306.~~

12 2. The design and location of the decal shall be prescribed  
13 by rules adopted by the department. A decal identifying a  
14 renewable fuel shall be consistent with standards adopted  
15 pursuant to [section 159A.6](#). The department may approve an  
16 application to place a decal in a special location on a ~~pump~~  
17 dispenser or container or use a decal with special lettering  
18 or colors, if the decal appears clear and conspicuous to the  
19 consumer. The application shall be made in writing pursuant to  
20 procedures adopted by the department.

21 Sec. 19. Section 452A.12, subsection 2, Code 2022, is  
22 amended to read as follows:

23 2. A person while transporting motor fuel or undyed special  
24 fuel from a refinery or marine or pipeline terminal in this  
25 state or from a point outside this state over the highways  
26 of this state in service other than that under subsection  
27 1 shall carry in the vehicle a loading invoice showing the  
28 name and address of the seller or consignor, the date and  
29 place of loading, and the kind and quantity of motor fuel or  
30 special fuel loaded, together with invoices showing the kind  
31 and quantity of each delivery and the name and address of each  
32 purchaser or consignee. An invoice carried pursuant to this  
33 subsection for ethanol blended gasoline or biodiesel blended  
34 fuel shall state its ~~designation~~ classification as provided in  
35 section 214A.2.

1     Sec. 20.   Section 455G.31, subsection 1, paragraph b, Code  
2 2022, is amended to read as follows:

3     *b.* Ethanol blended gasoline shall be ~~designated~~ classified  
4 in the same manner as provided in [section 214A.2](#).

5	EXPLANATION
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6           The inclusion of this explanation does not constitute agreement with  
7           the explanation's substance by the members of the general assembly.

8       GENERAL. This bill provides for programs and regulations  
9 administered and enforced by the department of agriculture and  
10 land stewardship (DALs).

11 CHOOSE IOWA PROMOTIONAL PROGRAM. The bill requires DALs  
12 to establish and administer a choose Iowa promotional program  
13 (program) in order to provide consumers a choice in purchasing  
14 a food item originating as an agricultural commodity produced  
15 on an Iowa farm (amended Code section 159.20). This includes  
16 either (1) an agricultural commodity produced on an Iowa farm  
17 or (2) a product processed in this state, if the product is  
18 an agricultural commodity that has been prepared in Iowa, or  
19 any of the product's ingredients are agricultural commodities  
20 produced on an Iowa farm (new Code section 159.29). DALs is  
21 provided discretion to further define what constitutes an Iowa  
22 farm and describe how an agricultural commodity originates on  
23 an Iowa farm.

24 CHOOSE IOWA LOGO. As part of the program, DALs may establish  
25 a choose Iowa logo (logo) to identify a food item originating  
26 as an agricultural commodity produced on an Iowa farm. DALs  
27 may register the logo as a mark with the secretary of state.  
28 DALs may also register the logo as a trademark with the United  
29 States patent and trademark office or as a copyright with the  
30 United States copyright office. The use of the logo does not  
31 create an express or implied warranty; involve state or federal  
32 labeling requirements; or indicate the grade, specification,  
33 standard, or value of a food item (new Code section 159.30).

34 CHOOSE IOWA PROMOTIONAL PROGRAM — LICENSING AGREEMENTS AND  
35 FEES. DALS may enter into a licensing agreement (agreement)

1 with a person who applies to use the logo. An agreement cannot  
2 be for more than five years. DALS must evaluate and approve or  
3 disapprove applications based on criteria established by rule.  
4 DALS may also establish application and license fees by rule.

5 CHOOSE IOWA FUND. A choose Iowa fund (fund) is established  
6 in the state treasury under DALS' management and control. The  
7 fund includes moneys that DALS collects in fees or otherwise  
8 receives, including by appropriation or gift. DALS must use  
9 the moneys exclusively to carry out the provisions of the bill.

10 PESTICIDE REGULATION. The bill amends Code chapter 206,  
11 "the Pesticide Act of Iowa" (Code section 206.1) which in part  
12 regulates commercial and private applicators. Generally,  
13 a person in business as a commercial applicator (applying  
14 pesticides to another person's land) must be certified and  
15 licensed (Code sections 206.5 and 206.6). A private applicator  
16 (e.g., a farmer) applying a restricted use pesticide must  
17 be certified (Code section 206.5). During the last regular  
18 session, the general assembly enacted SF 482 (2021 Acts,  
19 chapter 28) which in part provides that a private applicator is  
20 subject to the same civil penalty as a commercial applicator  
21 for violating a provision of the Code chapter (amended Code  
22 section 206.19). The Act provided that the amount for each  
23 violation committed by a commercial applicator or private  
24 applicator cannot exceed \$500 for each violation. The bill  
25 amends the provision by changing the term from "violation" back  
26 to "offense".

27 MOTOR FUEL REGULATION — BACKGROUND. DALS regulates persons  
28 advertising for sale or selling motor fuel on a wholesale  
29 or retail basis (Code chapter 214A) as well as motor fuel  
30 infrastructure used to store and dispense motor fuel at a  
31 retail motor fuel site owned or operated by a retail dealer  
32 and, in particular, metered motor fuel pumps located at a  
33 retail motor fuel site (Code chapter 214). Three types of  
34 motor fuel are regulated by DALS, including gasoline and diesel  
35 fuel (Code section 214A.2), and kerosene (Code sections 214A.2

1 and 214A.2A) as well as their respective components. A biofuel  
 2 is a component used to formulate a motor fuel and is closely  
 3 associated with formulations of both gasoline and diesel fuel.  
 4 A renewable fuel is a term which refers to either a biofuel  
 5 or a motor fuel blended with a biofuel. A biofuel includes  
 6 ethanol which is grain alcohol (e.g., derived from corn) used  
 7 to produce ethanol blended gasoline, biobutanol which is  
 8 isobutyl or n-butyl alcohol (derived from the same feedstocks  
 9 as ethanol but includes corn stover) used to produce biobutanol  
 10 blended gasoline, and biodiesel which is often a vegetable oil  
 11 (e.g., derived from soybeans) used to produce biodiesel blended  
 12 fuel. DALS establishes standards for these motor fuels and  
 13 their components based on two outside sources of authority:  
 14 (1) specifications recommended by ASTM international, a  
 15 private globally recognized organization, and (2) requirements  
 16 adopted by the United States environmental protection agency  
 17 (EPA). The EPA and the United States federal trade commission  
 18 (FTC) also regulate the labeling of motor fuel dispensers by  
 19 requiring information about the motor fuel to be dispensed,  
 20 such as the octane level of gasoline and the percentage content  
 21 of any biofuel component (42 U.S.C. §7545 and 40 C.F.R. pt.  
 22 1090, 15 U.S.C. §2801 et seq., 42 U.S.C. §17021, 16 C.F.R.  
 23 pt. 306, and 40 C.F.R. §80.1501(a)). DALS' regulation of a  
 24 renewable fuel depends upon its classification expressed as an  
 25 abbreviation identifying the renewable fuel according to type  
 26 followed by a number representing the biofuel percentage by  
 27 volume usually measured by gallon. The designation "xx" is  
 28 used as a stand-in designation for the actual percentage of a  
 29 biofuel percentage threshold (amended Code section 214A.2(5))  
 30 depending upon the Code provision (e.g., the E-15 plus gasoline  
 31 promotion tax credit in Code section 422.11Y). One special  
 32 exception is E-85 gasoline which is based on a percentage range  
 33 of between 70 and 85 percent by volume of ethanol.

34 MOTOR FUEL REGULATION — REVISION OF TERMS. The bill revises  
 35 certain terms, including by changing "A.S.T.M. international"



1 to "ASTM international" and defining "biodiesel" by referring  
 2 to its production method (amended Code section 214A.1).  
 3 The bill provides for the consistent use of certain terms,  
 4 including "specifications" which refers to recommendations  
 5 adopted by ASTM international, "requirements" which refers to  
 6 EPA regulations, and "standards" which refers to departmental  
 7 rules (amended Code section 214A.2). The bill also provides  
 8 for the consistent use of the term "standard" which is  
 9 occasionally referred to as "designation" (amended Code  
 10 sections 214A.2A, 214A.3, 214A.5, 452A.12, and 455G.31). The  
 11 bill provides that a label is to be placed on a "motor fuel  
 12 dispenser" rather than a "motor fuel pump" (amended Code  
 13 section 214A.16).

14 MOTOR FUEL REGULATION — DEPARTMENTAL STANDARDS. The  
 15 bill provides that the minimum octane rating for premium  
 16 grade gasoline is changed from 90 to 91 (amended Code  
 17 section 214A.2(2)). For all three types of motor fuel,  
 18 departmental standards may be based in part or in whole on  
 19 ASTM international specifications, and may include successor  
 20 specifications. The bill eliminates a requirement recognizing  
 21 that EPA must grant a seasonal waiver from its requirements  
 22 before a retail dealer may advertise for sale or sell ethanol  
 23 blended gasoline (amended Code section 214A.2(3)). The  
 24 threshold for ethanol blended gasoline is increased from E-9 to  
 25 E-10 (amended Code section 214A.2(3)) and from B-1 to B-5 for  
 26 biodiesel blended motor fuel (amended Code section 214A.2(4)).

27 MOTOR FUEL REGULATION — CLASSIFICATIONS. The bill  
 28 adds subclassifications for biofuels including for ethanol  
 29 classified as E-100, biobutanol classified as Bu-100, and  
 30 biodiesel classified as B-100. The bill also recognizes E-85  
 31 according to its revised percentage range, which is 68 to 83  
 32 percent.

33 MOTOR FUEL REGULATION — ADVERTISING. The bill revises  
 34 a provision which prohibits a person from knowingly falsely  
 35 advertising for sale motor fuel (amended Code section 214A.3).

1 The bill replaces a provision that prohibits a person from  
2 falsely advertising that a motor fuel is or is not a renewable  
3 fuel with a provision that prohibits a person from falsely  
4 advertising the classification of a renewable fuel. The bill  
5 also eliminates a requirement that a motor fuel pump (motor  
6 fuel dispenser) be affixed with a label that identifies the  
7 dispensed gasoline as ethanol blended gasoline (e.g., E-10),  
8 that identifies ethanol blended gasoline classified from E-11  
9 to E-15, or that identifies dispensed diesel fuel as biodiesel  
10 blended fuel. The bill retains a state requirement that a  
11 motor fuel dispenser identify gasoline classified as higher  
12 than E-15 (e.g., E-85) or any classification of biobutanol  
13 blended gasoline. The bill does not affect federal labeling  
14 requirements.

15 APPLICABLE PENALTIES. A person who violates a provision  
16 of Code chapter 214A is guilty of a serious misdemeanor. A  
17 serious misdemeanor is punishable by confinement for no more  
18 than one year and a fine of at least \$430 but not more than  
19 \$2,560. However, the state may initiate a substitute civil  
20 enforcement action as an administrative action by DALs or as  
21 a judicial proceeding by the attorney general upon referral  
22 by DALs. The civil penalty must be for at least \$100 but  
23 not more than \$1,000 for each violation and each day of a  
24 continuing violation constitutes a separate offense (Code  
25 section 214A.11).